

Sam & Betty Kemp

July 10, 2006

Re: FTC's proposed "Trade Regulation Rule on Business Opportunities"

My wife and I have been Quixtar Independent Business Owners (IBO's) since it's inception in 1999. Prior to that, we were Amway Distributors for 19 years. My business that I started in 1980 has been a long-range program to add income to supplement my retirement from The U.S. Navy. The business has become a positive, rewarding way of life for my family, with our two sons as well as a Granddaughter involved.

I would like to take this opportunity to address some of the proposed rules changes you are considering that we believe would have a devastating effect on our business as well as future generations of our family.

Ever since our affiliation with the business in 1980, we have always been required to Explain and have complied with all FTC disclosure requirements. We've taken extra care to explain to prospective business partners that our business is not a get-rich-quick scheme and requires consistent work and effort to get results, just as any business does. Since we provide our prospects with many accurate sources of disclosure, a seven day Waiting period would only serve to allow them ample time to gather misinformation from sources such as the internet. This happens on a regular basis as it is, without a seven day waiting period! This would not only put an unnecessary burden on the IBOs but would be a disservice to the prospect and the economic future of their families.

On the matter of providing a list of local IBOs for my prospect to contact, aside from the Obvious violation of their privacy, what about the business owner that has no locally Affiliated IBOs in the area? Case in point, when I moved from Texas to Florida several Years ago, all my business partners were in Texas and Minnesota. Not only did I not have Any business partners in Florida, I didn't even KNOW anyone here. That requirement would prohibit an IBO from developing business in a new area..

Concerning personal financial disclosure, I find that proposal reprehensible, highly offensive and unprecedented in the normal conduct of business. There are many business Owners in our business that make a lot more money than I do, and their personal financial information is none of my business. Quixtar does an outstanding job of providing average IBO incomes to the public. Also, there is the matter of the brand new Business owner that has NO financial track record being put at a disadvantage.

On the subject of a requirement to provide a "Litigation List": On any given day, anyone can sue anyone else in this country with little or no basis of fact. You can Google the name of any large company in America today and find literally thousands of lawsuits against them. Is it fair to require our industry to disclose what in many cases turns out to

be unfounded allegations, and not require Walmart to post the same information at the entrance to their stores?

While we are by no means wealthy, my wife and I depend on our Quixtar income for our Financial livelihood and implementation of these rules would pretty much put us out of Business. We are both in our 60's basically unemployable.

We fully support reasonable efforts to keep the industry honest, but I must say these proposals as presented would be throwing the baby out with the bathwater. Might I suggest that the FTC review Quixtar's disclosure policies (which consistently exceed FTC requirements) and bring the industry in line with what we are doing now. Our history of honesty and integrity in the market place (with few exceptions) speaks for itself.

Thank you for taking the time to review our comments.

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